



EDITORIAL

The environment in which Swiss companies operate is currently experiencing a concentration of major risks like climate change, growing cyber-pressure, ageing populations and continually rising health costs that are profoundly redrawing both economic and social equilibriums. These developments are no longer just theoretical. Instead, they directly impact the organisation of work, operational performance and the attractiveness of employers.

Among these risks, absenteeism is a particularly revealing indicator of tensions in the workplace. In 2024, absenteeism reached an average of 8.5 days per employee per year in Switzerland. This figure conceals both high direct costs and indirect consequences that are often underestimated: team disruption, manager overload, lost productivity and weakened engagement. Short, numerous and accumulative absences are too often overlooked, but they should actually be a priority lever.

Given this reality, a strictly corrective approach is no longer sufficient. Absence prevention, early detection

and structured management must all be part of a comprehensive and coherent vision of HR issues. This is the logic applied by the solutions offered by the Qualibroker Swiss Risk & Care Group, combining risk management, human support and financial optimisation.

Of these measures, income protection insurance (which we present in the following pages) is a tool that is still largely underutilised. It transforms earnings maintained during the first few weeks of absence into a daily insurance benefit that changes nothing for the employee, but permanently eases the employer's social security contributions burden. The savings generated can be reinvested in prevention, case management or manager support actions to improve the organisation's resilience.

In a context of closely correlated systemic and human risks, investing in integrated HR solutions is no longer optional. Rather, it is a strategic choice for sustainable performance.

David Cochet
General Manager



Financing absence management through income protection insurance

Rising absenteeism has become a major HR challenge for companies. Absences, especially short-term ones, add up and generate significant direct costs, but also lasting organisational and human impacts. To be truly efficient, an absence management policy cannot be limited to just administrative monitoring or ad hoc measures; it has to be one part of a structured approach that combines prevention, steering and support.

However, implementing these types of measures requires financial means. In this context, income protection insurance is a lever that is still largely under-exploited. When well-calibrated, it can free up resources that are directly related to absences, providing the financial capacity to take targeted actions: manager support, training, trusted person measures or early case management, in order to maintain contact with the absent employee and facilitate a smooth and enduring return to work, etc. When these tools are already in place, this mechanism can also represent net and direct savings in social security contributions.

Income protection insurance: Principle and scope

Short-term sick leaves represent a significant proportion of total absences in a company. Today, sick leave is funded primarily by the employer in the form of salary protection, which includes full payment of social security contributions.

Income protection insurance, on the other hand, covers sick leave absences after the waiting period,

which is generally 30 or 60 days, depending on the company policy.

The principle is based on changing the legal nature of the benefit that is paid:

- Salary protection is replaced by a daily insurance benefit.
- The daily insurance benefit is based on the net salary, after deduction of social security contributions.
- The employer no longer pays a salary, but an insurance benefit.
- The employee receives an equivalent income, with no financial loss.

A proven legal and economic mechanism

Income protection insurance is based on changing the legal nature of the benefit paid. Salary protection is replaced by a daily insurance benefit that is based on the net salary, after deduction of social security contributions. The employer no longer pays a salary, but an insurance benefit under the Swiss federal insurance law (LCA) and that is considered an insurance benefit and not a salary. As such, it is not included in the base for social security

contributions. This generates savings through exemption from social security contributions.

This mechanism complies fully with Swiss law, is recognised by supervisory authorities and compatible with internal regulations and collective agreements, as long as they are established properly.

From an economic viewpoint, this is not a traditional insurance contract with a fixed and recurring premium. The cost to the organisation consists of:

- a risk premium
- management fees

These costs are proportional to the actual number of absences recorded, with no fixed structural premiums.

This type of approach allows for a perfect match between the measure's cost and actual absences.

Savings are generated through exemption from social security contributions.



Simple and operational implementation

Ideally, implementing income protection insurance should be paired with a tool that accurately identifies short-term absences, something that is necessary for both HR and the insurance mechanism itself. Its deployment requires no specific contractual deadline, and it is backed by proven processes: monthly claims reporting, direct integration in payroll and HR systems, full traceability and no added administrative burden.

A virtuous circle serving sustainable performance

Exemption from social security contributions sometimes raises questions about the potential impact on old-age and survivors (AVS) insurance contributions. Available projections are based on scenarios of recurring absences over long periods (e.g., 30 or 60 days of absence per year for an employee, over 10 to 15 years). In extreme cases like this, the estimated impact on future old-age and survivors (AVS) pensions remains marginal, in the range of 0 to 2%, depending on the salary level.

An example of potential savings

- A healthcare company with 150 employees
- Payroll: CHF 12 million
- Average salary: CHF 80,000
- Absenteeism rate: 3.6% for the first 30 days
= CHF 55,000 in social security contributions saved each year

This saving can be used to finance an absence management mechanism, comprising:

	JANUARY	JUNE	DECEMBER
Biings	Digital absence management tool: Subscription to absence reporting and monitoring from day one		CHF 10,000
ismat group	Management training: Absence management protocol - two days		CHF 10,000
UCARE	Care Management starting on day 7		CHF 27,000
			CHF 47,800

This example includes some of our in-house HR solutions. Contact us for more information.

On the other hand, the financial capacity freed by income protection insurance enables the company to structure an efficient absence management policy to reduce absenteeism. When combined with improved support for employees, it can help sustainably improve productivity. In this way, the company

moves from a cost to a virtuous circle, reconciling economic performance with social responsibility.

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INTERVIEW

Three questions for...



Goran Milosevic,
Personal Insurance
Technical Manager

1. Why is this system of daily benefits for short-term absences so underused despite its effectiveness?

For a long time, this type of plan was the prerogative of very large groups that had the volumes required to negotiate terms with certain insurance companies. With no innovation, these solutions remained confidential and poorly disseminated.

Today, that situation has changed. Now, new partners are offering redesigned, easy-to-deploy plans with costs proportional to absences and not based on a fixed premium. This makes these solutions fully relevant and accessible to mid-sized businesses. Brokers are responsible for promoting these solutions that, while not new, are now available to more companies. In this context, brokers are key: they exercise active market monitoring, identify relevant developments and alert their clients to enable them to anticipate and adapt their insurance and HR policies.

2. When should this type of plan be implemented?

This plan becomes relevant when there is a significant volume of short-term absences. It is intended primarily for companies having at least 80 employees and with a short-term absence rate of 2 to 3%.

Below these thresholds, especially in small companies, it is more difficult to reach an economic balance, which makes the scheme of limited interest.

3. Do considerations related to AVS 2030 threaten exemption from social security contributions for daily insurance benefits?

At this point, no. At present, no concrete decision or plan aims to change this exemption. The elements raised in the AVS 2030 framework are currently general considerations, with no legislative application. So, current measures rely on a stable legal framework that we are monitoring closely to ensure they comply with the legislation in force at all times.



■ Ismat Group inter-company training

“Preventing and managing absences – Management’s role”

Reducing absenteeism while strengthening engagement

Managers are on the front lines when it comes to reversing the rising trend of absenteeism. This practical and empowering seminar helps managers concretely prevent absences, taking action where it counts: on the ground, at the heart of the team.

Dates: 19 and 20 March 2026 (two days)

“Preventing burn-out – Employee training”

Practical tips to conserve your energy and maintain your balance

This course teaches employees how to step back from their relationship with work, identify their personal and contextual risk factors, and strengthen their resources to protect their health and motivation over the long term.

Date: 24 March 2026 (½ day)

“The keys to management 1”

Lead your team to worry-free, sustainable performance.

This modular programme offers a complete and immediately operational toolkit of the fundamentals of team leadership, to evolve management practises towards greater performance, fluidity and co-operation.

Dates: 30 and 31 March 2026 (two days)

Information and registration:
[ismatgroup.com](https://www.ismatgroup.com)

Free webinar

Turning the working environment into a strategic lever for performance

Date: 25 March from 12:00 to 1:00 (1 hour)

Registration:

<https://www.ismatgroup.com/inscription-webinaire/>

Impressum

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